

17th BRICS Summit

The 17th BRICS Summit in July 2025, held in Rio de Janeiro, focused on strengthening Global South cooperation with a theme of "Strengthening Global South Cooperation for More Inclusive and Sustainable Governance". Key themes included strengthening cooperation within the Global South, achieving inclusive and sustainable governance, and advocating for reforms in global institutions like the UN and IMF. Key outcomes involved the official inclusion of new member states, such as Indonesia, and a strong condemnation of terrorism, reflecting India's diplomatic efforts.

Host & Theme

- Host: Rio de Janeiro, Brazil
- Chairperson: Brazilian President Luiz Inácio Lula Da Silva
- Theme: "Strengthening Global South Cooperation for More Inclusive and Sustainable Governance".

Key Outcomes & Initiatives

1. Expansion and membership

- **Full member expansion:** Indonesia officially joined BRICS as a full member in January 2025. This makes it the first Southeast Asian nation to join the grouping, bringing the total number of full members to ten.
- **Partner countries:** Ten new countries were welcomed as "BRICS partner countries," including Belarus, Bolivia, Cuba, Kazakhstan, Malaysia, Nigeria, Thailand, Uganda, and Uzbekistan. This new category was established to expand the bloc's global outreach.
- **Growing clout:** With the expanded membership, BRICS now accounts for approximately 45% of the world's population and roughly 35–40% of global GDP, solidifying its position as a major player in international affairs.

2. Reform of global governance

- **Multilateralism:** Leaders strongly advocated for a multipolar world order and the reform of multilateral institutions established in the 20th century, such as the UN Security Council (UNSC), International Monetary Fund (IMF), and World Bank.

- **Global South representation:** The summit called for greater representation of developing countries in international decision-making bodies to address the double standards often faced by the Global South.
- **Rio de Janeiro Declaration:** The summit concluded with the adoption of the Rio de Janeiro Declaration, which reaffirmed the commitment to multilateralism, inclusive development, and reforming global governance.

3. Economic and financial cooperation

- **De-dollarization:** The summit advanced discussions on developing alternatives to Western financial systems. While ruling out a common BRICS currency, leaders supported expanding trade settlements in local currencies and developing non-dollar payment systems.
- **New Development Bank (NDB):** India proposed that the NDB follow demand-driven principles and long-term sustainability for its projects. The NDB is also set to issue its first Indian rupee-denominated bond by March 2026.
- **Economic resilience:** India also emphasized the need for strengthening credible financial systems and building resilient supply chains, especially for critical minerals.
- **BRICS Multilateral Guarantees (BMG):** A new BMG initiative was launched by the NDB to help mobilize private capital for infrastructure and sustainable development projects.

4. Technology and innovation

- **Artificial Intelligence (AI):** The Leaders' Statement on the Global Governance of AI was adopted, promoting the ethical, inclusive, and responsible use of AI. India specifically proposed the principle of "AI for All".
- **Technological cooperation:** Leaders concluded the Data Economy Governance Understanding and agreed to form a BRICS Space Council for collaborative space exploration.
- **Science and Research Repository:** India proposed the creation of a BRICS Research Repository to facilitate knowledge sharing among Global South countries.

5. Sustainability & Climate Change

- Adopted a Leaders' Framework Declaration on Climate Finance to mobilize resources for developing nations.
- Endorsed an MoU on the BRICS Carbon Markets Partnership.
- India proposed the "30 for 30" initiative for global trade reform.

India's role and Proposals

- **Counter-terrorism:** PM Modi used the platform to call for zero tolerance on terrorism, condemning the Pahalgam attack and criticizing double standards.
- **Climate action:** India secured BRICS' support for its hosting of COP33 in 2028. The summit also adopted a Framework Declaration on Climate Finance.
- **Diplomatic balancing:** India maintained its pragmatic stance of strengthening BRICS engagement while continuing to build strategic partnerships with Western nations.
- **2026 Chairmanship:** It was announced that India will assume the BRICS Chairmanship in 2026 and host the 18th BRICS Summit.

Challenges for BRICS

- **Cohesion issues:** The ideological and geopolitical diversity among member countries can complicate consensus-building, especially with the recent expansion.
- **Implementation gap:** Translating summit declarations into concrete, unified action remains a challenge.
- **Economic dominance:** China's large economy raises concerns among some members about its disproportionate influence.
- **External pressures:** Geopolitical tensions and pressures from external powers, such as the US, can affect intra-BRICS relations.

Explanation of Exam Oriented Key Terms

01

BRICS

History and evolution

- **Origin:** Coined as "BRIC" in 2001 by Goldman Sachs economist Jim O'Neill to highlight the economic potential of Brazil, Russia, India, and China.
- **Expansion:** South Africa was invited to join in 2010, turning the acronym into BRICS.
- **Recent expansions:** In January 2024, Egypt, Ethiopia, Iran, and the UAE joined as full members. Indonesia was admitted in January 2025, bringing the total membership to 11. Saudi Arabia formally completed its membership in July 2025.
- **Partner countries:** In 2024, a "partner countries" category was created for countries like Belarus, Bolivia, Cuba, Kazakhstan, Malaysia, Nigeria, Thailand, Uganda, Uzbekistan, and Vietnam.

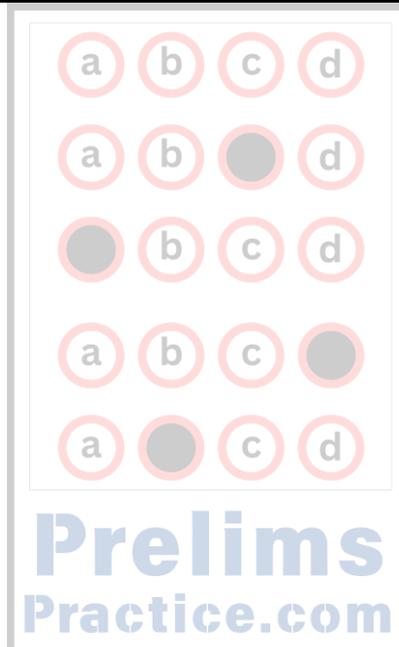
Core objectives

- **Multipolar world:** BRICS champions a multipolar world order, advocating for more equitable and representative global governance.
- **Global governance reform:** Seeks reform of international institutions like the United Nations Security Council, IMF, and World Bank to give a greater voice to emerging economies.
- **Economic cooperation:** Aims to boost trade, investment, and financial ties among members across various sectors.
- **Reduce Western dependence:** Explores alternatives to the Western-dominated financial system, particularly reducing reliance on the US dollar.
- **Addressing global challenges:** Works collaboratively on issues such as climate change, energy security, and counter-terrorism.

Key initiatives

- **New Development Bank (NDB):** Established in 2014, the Shanghai-headquartered NDB mobilizes resources for infrastructure and sustainable development projects in BRICS and other developing countries.

- **Contingent Reserve Arrangement (CRA):** Created in 2014, this framework provides short-term liquidity support to member nations facing balance of payments pressures.
- **BRICS Pay:** A proposed cross-border payment system aimed at facilitating transactions in local currencies and reducing dependence on US-dollar-based systems.
- **Trade in local currencies:** BRICS nations are actively promoting trade and financial transactions in their own currencies.
- **BRICS Grain Exchange:** A Russian-led initiative to create a trading platform for grain commodities within the bloc.
- **Anti-terrorism strategy:** Cooperation includes intelligence sharing, capacity building, and preventing terror financing.



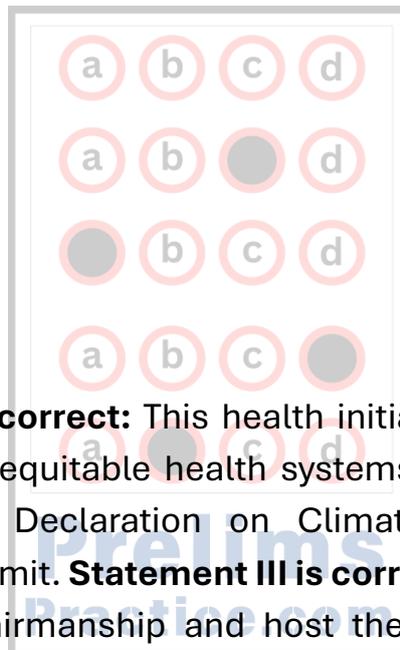
Practice Questions:

1. How many of the following outcomes were major highlights of the 17th BRICS Summit in Brazil?

- I. Launch of the "BRICS Partnership for the Elimination of Socially Determined Diseases" initiative
- II. A new framework declaration on climate finance was adopted
- III. India announced its upcoming BRICS presidency for the year 2026
- IV. The members agreed to completely replace the US dollar in all intra-BRICS trade settlements by 2030

Select the correct answer using the code given below:

- a) Only one
- b) Only two
- c) Only three
- d) All four



a	b	c	d
a	b		d
	b	c	d
a	b	c	

Answer: c

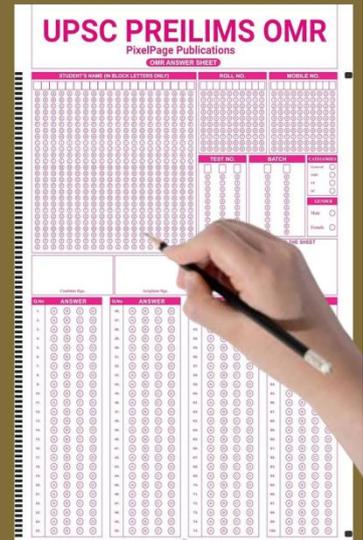
Explanation: Statement I is correct: This health initiative was a key outcome of the summit agenda, focusing on equitable health systems. **Statement II is correct:** The BRICS Leaders' Framework Declaration on Climate Finance was a significant commitment made at the summit. **Statement III is correct:** It was announced that India will assume the rotating chairmanship and host the 18th BRICS Summit in 2026. **Statement IV is incorrect:** While de-dollarization and the use of local currencies were discussed, the group clarified it does not aim to immediately or fully replace the US dollar, but rather diversify currency arrangements in trade settlements.

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